GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:197
ANSWERED ON:24.08.2007
POWER LOSSES
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Will the Minister of POWER be pleased to state:

(a) whether around forty percent of power has been lost in transmission and distribution in the country; and

(b) if so, the reasons therefor and the steps taken by the Government to check this loss?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) & (b) OF STARRED QUESTION NO. 197 TO BE ANSWERED IN THE LOK SABHA ON 24.08.2007 REGARDING POWER LOSSES.

(a) : To assess the losses in transmission and distribution of power, the concept of Aggregate Technical and Commercial (AT&C) losses was introduced in 2001-02. AT&C loss parameters capture not only technical losses, but also theft, pilferage and commercial losses due to poor feeder, distribution transformer and consumer metering, poor billing and non-realisation of dues. A report prepared by the Power Finance Corporation indicates that the Aggregate Technical and Commercial (AT&C) Loss of the State Power Utilities at the national level for 2005-06 was 34.54%.

(b) : The main reasons for AT&C losses are:-

(i) Technical Losses

Overloading of existing lines and substation equipments
Old and outdated network
Low High Tension:Low Tension Ratio
Poor repair and Maintenance of equipments
Non installation of sufficient capacitors
Substandard and inefficient, poor quality distribution equipments
Poor power factor of consumer end devices.

(ii) Commercial Losses

Defective meters
Theft & Pilferage
Tampering of Meters
Low accountability of employees
Poor metering efficiency
Poor billing efficiency
Non realization of dues.

The reduction of technical and commercial losses is one of the critical components for improving distribution segment which come largely in the purview of the State. The Government has taken various initiatives to reduce the AT&C losses which inter-alia include:-

(i) Accelerated Power Development and Reforms Programme (APDRP) was launched in 2002-03 under which Additional Central Assistance was provided to States for taking up the following technical, commercial and management measures.

a) Technical Measures
@ Up gradation and strengthening of the weak distribution system
@ Relocation of distribution sub-stations and/or provision of additional distribution sub-stations
@ Installation of lower capacity distribution transformers to serve a smaller number/cluster of consumers and substitution of distribution transformers with those having lower no-load losses

@ Installation of shunt capacitors
@ Adoption of High Voltage Distribution System (HVDS)
@ Regular maintenance of distribution network
@ GIS mapping of sub transmission and distribution network including compilation of data.
@ IT intervention

b) Commercial Measures
@ Improvement in metering and billing
@ Improvement in revenue collection.

c) Management Measures

@ Adoption of energy accounting and auditing
@ Proper network planning for future expansion
@ Preparation of long-term plans on regular basis for phased strengthening and improvement of the distribution systems along with associated transmission system
@ Training of employees.

(ii) To enable effective control of theft of electricity, the Electricity Act, 2003 has incorporated specific provisions for detection of theft, speedy trial of theft related offences by setting up Special Courts and Police Stations and also for the recovery of the charges of electricity stolen. Based on the feedback from the States and other stakeholders, the Central Government has further strengthened the theft related provisions in the Act by enacting the Electricity (Amendment) Act, 2007. By this amendment Act, theft of electricity has been explicitly made a cognizable and non-bailable offence. The distribution licensees have been empowered to disconnect the supply of electricity upon detection of theft. The penalty for repeated theft of electricity by large consumers has also been enhanced.